

14 February 1987

INVESTIGATORS SAY CASEY KNEW CIA HELPED ARM CONTRAS
✓ BY NEIL ROLAND

A William Casey and Vice Adm. John Poindexter were informed last spring that a CIA operative had coordinated airdrops of arms to Nicaraguan rebels, congressional and administration sources said Saturday.

The airdrops were carried out by a network of private Americans at a time when Congress had forbidden U.S. arms aid to the rebels, known as Contras.

Robert McFarlane, Poindexter's predecessor as national security adviser, approved a similar plan for funneling arms to the Contras in July 1985, but it fell apart and never was implemented, congressional and rebel sources said.

Congressional investigators said they have been told that fired White House aide Marine Lt. Col. Oliver North proposed the two plans to offer weapons to Contra commanders if they would abandon moderate leader Eden Pastora.

The CIA's station chief in Costa Rica frequently filed reports to Casey, who until his retirement Feb. 2 was CIA director, describing his efforts to assist in the airdrops last April and May, sources said.

The activities also were outlined in a computer message to Poindexter from North, who was overseeing the operation, they said.

Congressional investigators said they learned in July 1985 of McFarlane's approval of the arms plan to undermine Pastora from a senior Contra official who had met just hours before with the national security adviser.

Casey and McFarlane, who quit Dec. 4, 1985, repeatedly have denied to Congress that they knew of any official U.S. involvement in providing military aid to the Contras. Poindexter, who resigned Nov. 25 when the Iran-Contra arms scandal erupted, has yet to testify.

The new evidence, coupled with disclosures of an April meeting attended by President Reagan and the CIA station chief, raises questions whether several top administration officials knew that the U.S. government may have helped furnish military aid to the Contras.

While a congressional ban was in effect during 1985 and 1986, the legality of any administration role in the airdrops is a thorny issue because Congress allowed intelligence sharing with the Contras on rebel-run operations.

Congressional investigators have been told that the station chief provided intelligence that enabled private American cargo planes to deliver S-3 rifles and several hundred thousand rounds of ammunition to Pastora's commanders in southern Nicaragua.

A The investigators also say they were told by a CIA headquarters official that the station chief, known by the pseudonym Tomas Castillo, frequently sent reports to Casey about his efforts to pass information about Sandinista troop positions.

At about the same time, North sent Poindexter an electronic message outlining the operation, including North's role in overseeing it and Castillo's part in carrying it out, an administration official said.

This message, which the FBI found in a master computer disk at the National Security Council, has been turned over to the presidentially appointed Tower Commission now examining NSC procedures.

Continued

2.

Soon after the airdrop operation reportedly began, Castillo, North and Poindexter met with Reagan and White House chief of staff Donald Regan, according to the recent Senate Intelligence Committee report on the Iran-Contra arms scandal.

The meeting with Reagan and Regan took place April 23, 1986, the report says -- a little more than a week after Contra sources said the operation began. The airdrops continued into May, the sources said.

The report said the committee could not determine from the available White House documents what was discussed at the meeting except that it "appeared to relate to Central American policy."

Congressional investigators told United Press International that Lewis Tambs, the U.S. ambassador to Costa Rica, and Nestor Sanchez, the Pentagon official in charge of inter-American affairs, spoke to them last spring and revealed detailed knowledge of the operation.

Neither Tambs nor Sanchez, who now are out of government, returned telephone messages. The State and Defense departments have denied any involvement in weapons flights to the Contras.

Casey denied to Congress that the CIA had any role in providing military aid to the Contras, and the CIA only acknowledged in December that intelligence was shared, congressional sources said. McFarlane also denied in congressional testimony that North had any involvement in efforts to arm the Contras, they said.

North also told Congress last August that he was not doing anything to assist the Contras other than offer moral support, congressional sources said.

Poindexter and North have declined since Nov. 25 to respond to questions about arms sent to Iran or the Contras. On that day, Poindexter resigned and North was fired after they told Attorney General Edwin Meese that they were aware of the diversion to the Contras of Iran arms sale profits.

Castillo, who is being forcibly retired, now is the subject of a CIA inspector general investigation of his role in the airdrops aimed at luring Pastora's supply-starved commanders away from the maverick Contra leader.

Castillo could not be reached for comment.

The earlier plan approved by McFarlane collapsed before it could be carried out when the commanders refused to abandon Pastora, a congressional source said.

Investigators have been told that North and CIA officials, frustrated by Pastora's refusal to follow their advice on fighting the Sandinistas, sought to remove him as a factor in the conflict.

The 1986 supply effort resulted in decisions by most of the seven commanders to leave Pastora's ranks and join the forces of Fernando "El Negro" Chamorro, whom North and the CIA thought would be more responsive to their wishes.

Investigators have been told that shortly after the airdrops ended, two Cuban-Americans who said they were working for the CIA gave \$5,000 to each of the commanders choosing to leave Pastora, sources said.

Continued

3

The money allegedly was doled out by Rene Corbo and Felipe Vidal at rebel safe houses in San Jose, Costa Rica, a congressional source said.

A Justice Department official said a federal grand jury in Miami recently investigated the roles of Corbo and Vidal, reportedly veterans of the 1961 Bay of Pigs invasion, in a 6-ton arms shipment from Fort Lauderdale to Costa Rica in March 1985.

That investigation has been taken over by special prosecutor Lawrence Walsh.

One specialist on intelligence law said the legality of the CIA-assisted operation in 1986 hinged on who was running the effort to provide the arms to Pastora's forces. The CIA's role might have been legal, he said, if the airdrops were managed by the United Nicaraguan Opposition, the Contra umbrella group.

UNO spokeswoman Marta Sacasa said, "I don't think UNO coordinated the operation." After consulting with a UNO official, she said, "There never were any airdrops of weapons to Pastora's forces in April of 1986."

Another rebel source said the operation was directed by the National Security Council and the CIA. He said UNO's role was to communicate with Pastora's commanders by radio and promise them more aid if they abandoned him.

Casey is hospitalized at Georgetown University Medical Center in Washington after Dec. 18 brain surgery and could not be reached for comment. McFarlane has been hospitalized at Bethesda Naval Medical Center in suburban Washington since Monday, when he took an overdose of the drug Valium. His attorney declined immediate comment.